Louis Gilbert & Associates, Inc.

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August 8, 2001

Honorable Philip N. Asprodites Commissioner of Conservation P.O. Box 94275, Capitol Station Baton Rouge, Louisiana 70804-9275

> Re: Application Notice

Operc B Zone, Reservoir D Operc 3 Zone, Reservoir D Operc 5 Sand, Reservoir C

Ramos Field

Terrebonne Parish, Louisiana

Dear Sir:

LLOG Exploration Company ("Applicant") hereby makes application to the Commissioner of Conservation for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters relating to the Operc B Zone, Reservoir D, Operc 3 Zone, Reservoir D, and the Operc 5 Sand, Reservoir C, in the Ramos Field, Terrebonne Parish, Louisiana.

- To create a drilling and production unit for each Zone/Sand for the exploration for and the production of gas and condensate, such units being shown on the attached plats and being designed OPERC B RD SUA, OPERC 3 RD SUA, and OPERC 5 RC SUA.
- To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed units in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation.
 - To designate a unit operator and a unit well for the units so created. 3.
- 4. To provide that the Commissioner of Conservation should be authorized to reclassify the reservoirs by Supplemental Order, without the necessity of a public hearing, if the producing characteristics of the reservoirs change and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation.
 - To discuss such other matters as may be pertinent.

Operc B Zone, Reservoir D in the Ramos Field, Terrebonne Parish, Louisiana is hereby defined as that gas and condensate bearing sand encountered between the depths of 17,985' and 18,254' measured depths ("MD") in the Meridian Resources & Exploration-C.M. Thibodaux No. 3 Well located in Section 37 of Township 16 South, Range 14 East Terrebonne Parish, Louisiana.

The Operc 3 Zone, Reservoir D in the Ramos Field, Terrebonne Parish, Louisiana is hereby defined as that gas and condensate bearing sand encountered between the depths of 18,082' and 18,484' MD in the Meridian Resources & Exploration-C.M. Thibodaux No. 1 Well located in Section 36 of Township 16 South, Range 13 East Terrebonne Parish, Louisiana.

The Operc 5 Sand in the Ramos Field, Terrebonne Parish, Louisiana was fully defined in the Office of Conservation Order No. 389-H effective September 16, 1998.

A timely request for the conference tentatively scheduled in the pre-application notice dated July 13, 2001 was received and therefore the conference was held. A copy of the list of those who attended the conference is attached hereto. The conference was opened by the undersigned who also explained the basis of the applicant's unit proposal. This was followed by a brief question and answer period. Mr. Tony Carollo representing L-M Management Co. and L-M Limited Partnership indicated that they would likely file a counterplan which sponsored units that more nearby centered the bottom hole location of the proposed unit well. A resolution of differences could not be reached therefore opposition at the hearing is likely.

All pertinent data relating to the subject application is available for inspection at the Offices of Louis Gilbert & Associates, Inc., 3636 N. Causeway Blvd., Suite 204, Metairie, Louisiana 70002. Any person wishing to inspect such data should call (504) 834-8112 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data which is not otherwise available from the Office of Conservation can be obtained at the expense of the requesting party.

The Applicant will provide for posting copies of the Legal Notice of this hearing and copies of the enclosed plats in prominent places in the area affected by this application and will cause the publication of the Legal Notice in newspapers published in the general area of the Ramos Field. Furthermore, a copy of the Legal Notice will be mailed to all Interested Owners, Represented Parties and Interested Parties all in accordance with the Revised Rules of Procedure.

There is attached hereto and made a part hereof, plats outlining the proposed unit and a list of names and addresses of the Interested Parties, Interested Owners and Represented Parties to whom this notice is being sent. Pursuant to the Revised Rules of Procedure, such list of Parties is being furnished ONLY to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. The aforementioned list is available upon request to any Interested Party. A reasonable effort was made to ascertain the names and addresses of all Interested Parties, Interested Owners and Represented Parties as required by the Revised Rules of Procedure.

There is enclosed herewith on behalf of the Applicant a check made payable to the Office of Conservation, representing the required hearing application fee.

Very truly yours,

LOUIS GILBERT & ASSOCIATES, INC.

Louis F. Gilbert

LFG/tlb

CC: Mr. Richard Hudson (w/ attachments)
District Manager - Lafayette

Mr. Gerry Whitman (w/attachements)
LLOG Exploration Company

Interested Parties, Interested Owners,
and Represented Parties (w/ plats & conference attendees)





